



भारत का राजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II—खण्ड—2

PART II—Section 2

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं० 7] नई दिल्ली, शुक्रवार, मार्च 4, 1966/फाल्गुना 13, 1887

No. 7] NEW DELHI, FRIDAY, MARCH 4, 1966/PHALGUNA 13, 1887

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।

Separate paging is given to this Part in order that it may be filed as a separate compilation.

RAJYA SABHA

The following Bill was introduced in the Rajya Sabha on the 4th March, 1966:—

Bill No. 1 of 1966.

A Bill further to amend the Companies Act, 1956.

BE it enacted by Parliament in the Seventeenth Year of the Republic of India as follows:—

1. This Act may be called the Companies (Amendment) Act, 1966. Short title.

1 of 1956.

2. In section 224 of the Companies Act, 1956, after sub-section (2), the following proviso shall be inserted, namely:—

Amendment of section 224.

“Provided that the same auditor or auditors shall not be re-appointed for more than two consecutive terms.”

STATEMENT OF OBJECTS AND REASONS

Under section 224 of the Companies Act, 1956, an auditor is appointed for a specified period of time. There is, however, no limit on the term for re-appointment of the auditor. Consequently, the same auditor may be appointed for any number of terms. If such a practice is followed, favouritism may creep in which may in its turn lead to improper audit. This can be eliminated to a large extent if an auditor is debarred from appointment for a period exceeding three years.

Hence this Bill.

ARJUN ARORA.

B. N. BANERJEE,
Secretary.